

Securities Code No. 6146

June 3, 2013

To: Shareholders

2-13-11 Omori-Kita, Ota-ku, Tokyo

DISCO CORPORATION

Kazuma Sekiya President and COO

Notice of the 74th Ordinary General Meeting of Shareholders

We are pleased to announce our 74th Ordinary General Meetings of Shareholders and cordially invite you to attend this meeting. Further detailed information is provided below.

In case that you are unable to attend the Meeting, you can exercise your voting rights in writing via the enclosed form. Please review the attached Reference Materials for the General Meeting of Shareholders, indicate your approval or disapproval for each proposal on the Form for the Exercise of Voting Rights, and return to us by the end of business (5:45 p.m.) on Monday, June 24, 2013.

1. Date & Time: June 25, 2013 (Tuesday) 2:00 p.m.

2. Place: DISCO Corporation Headquarters/R&D Center, Building A
 Conference Room on the 8th Floor
 2-13-11 Omori-Kita, Ota-ku, Tokyo

3. Purposes of the Meeting

Matters to be reported:

1. Business report, consolidated financial statements, and the Audit Reports from the accounting auditor and the Board of Corporate Auditors on the Consolidated Financial Statements for the 74th fiscal year (from April 1, 2012 to March 31, 2013)
2. Financial Statements for the 74th fiscal year (from April 1, 2012 to March 31, 2013)

Matters to be resolved:

- Proposal 1 Appropriation of Retained Earnings
- Proposal 2 Election of Six Directors
- Proposal 3 Election of One Corporate Auditor
- Proposal 4 Bonus payment to the board members

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- ⊙ The reception desk for the meeting will open at 1:00 p.m. on the day.
- ⊙ Please make sure to bring the enclosed voting form to the reception desk on the day of the meeting.
- ⊙ Exercise of voting rights can be made by proxy through the appointment of another shareholder eligible for voting rights, subject to the submission of documentation certifying this vote by proxy.
- ⊙ In accordance with relevant laws and regulations and Article 15 of the Articles of Incorporation of the Company, the items listed below are posted on the DISCO website (<http://www.disco.co.jp/>) and therefore not described in the attached documents of this notice of general meeting of shareholders.
 1. Notes to consolidated financial statements
 2. Notes to financial statements
- ⊙ If any parts of the reference materials for the general meeting of shareholders, business reports, financial statements and/or consolidated financial statements require modification or revision, notification of such will be made on the DISCO website.

Consolidated Balance Sheet

(As of March 31, 2013)

(in Millions of Yen)

Assets		Liabilities	
Items	Amount	Items	Amount
Current assets	89,556	Current liabilities	23,896
Cash and deposits	31,699	Notes and accounts payable-trade	4,499
Notes and accounts receivable-trade	25,272	Electronically recorded obligations-operating	8,191
Merchandise and finished goods	7,641	Short-term loans payable	250
Work in process	9,125	Current portion of long-term loans payable	675
Raw materials and supplies	11,708	Income taxes payable	2,125
Deferred tax assets	1,927	Provision for bonuses	2,035
Other	2,229	Provision for directors' bonuses	146
Allowance for doubtful accounts	(48)	Provision for product warranties	260
Noncurrent assets	66,102	Provision for demolition cost	98
Property, plant and equipment	55,515	Other	5,614
Buildings and structures, net	29,468	Noncurrent liabilities	21,214
Machinery, equipment and vehicles, net	9,692	Convertible bond-type bonds with subscription rights to shares	9,085
Tools, furniture and fixtures, net	597	Long-term loans payable	9,674
Land	13,021	Provision for retirement benefits	1,800
Construction in progress	2,735	Provision for directors' retirement benefits	41
Intangible assets	992	Asset retirement obligations	90
Investments and other assets	9,595	Other	523
Investment securities	2,141	Total liabilities	45,110
Deferred tax assets	408	Net assets	
Long-term time deposits	5,200	Shareholders' equity	108,716
Other	1,912	Capital stock	14,517
Allowance for doubtful accounts	(67)	Capital surplus	15,654
Deferred assets	8	Retained earnings	79,343
Total assets	155,667	Treasury stock	(798)
		Accumulated other comprehensive income	(116)
		Valuation difference on available-for-sale securities	12
		Foreign currency translation adjustment	(128)
		Subscription rights to shares	1,223
		Minority interests	731
		Total net assets	110,556
		Total liabilities and net assets	155,667

Note: Figures are rounded down to the nearest million yen.

Consolidated Income Statement

(From April 1, 2012)
(To March 31, 2013)

(in Millions of yen)

Items	Amount	
Net sales		93,707
Cost of sales		49,014
Gross profit		44,692
Selling, general and administrative expenses		33,090
Operating income		11,601
Non-operating income		
Interest income	43	
Equity in earnings of affiliates	215	
Subsidy income	169	
Other	265	694
Non-operating expenses		
Interest expenses	48	
Sales discounts	22	
Depreciation	68	
Foreign exchange losses	547	
Other	23	709
Ordinary income		11,586
Extraordinary income		
Gain on sales of noncurrent assets	2	
Gain on sales of investment securities	146	
Gain on reversal of subscription rights to shares	12	
Other	0	160
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	133	
Impairment loss	598	
Loss on valuation of investment securities	49	
Special retirement expenses	40	
Provision of reserve for demolition cost	98	
Other	1	921
Income before income taxes and minority interests		10,825
Income taxes - current	3,892	
Income taxes - deferred	(534)	3,357
Income before minority interests		7,467
Minority interests in loss		(5)
Net income		7,473

Note: Figures are rounded down to the nearest million yen.

Consolidated Statement of Changes in Net Assets

(From April 1, 2012)
(To March 31, 2013)

(in Millions of Yen)

Shareholders' equity	
Capital stock	
Balance at the beginning of current period	14,517
Balance at the end of current period	<u>14,517</u>
Capital surplus	
Balance at the beginning of current period	15,651
Changes of items during the period	
Disposal of treasury stock	<u>2</u>
Total changes of items during the period	<u>2</u>
Balance at the end of current period	<u>15,654</u>
Retained earnings	
Balance at the beginning of current period	73,858
Changes of items during the period	
Dividends from surplus	(1,988)
Net income	<u>7,473</u>
Total changes of items during the period	<u>5,484</u>
Balance at the end of current period	<u>79,343</u>
Treasury stock	
Balance at the beginning of current period	(823)
Changes of items during the period	
Purchase of treasury stock	(1)
Disposal of treasury stock	<u>25</u>
Total changes of items during the period	<u>24</u>
Balance at the end of current period	<u>(798)</u>
Total shareholders' equity	
Balance at the beginning of current period	103,204
Changes of items during the period	
Dividends from surplus	(1,988)
Net income	7,473
Purchase of treasury stock	(1)
Disposal of treasury stock	<u>28</u>
Total changes of items during the period	<u>5,511</u>
Balance at the end of current period	<u>108,716</u>

(in Millions of Yen)

Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	
Balance at the beginning of current period	5
Changes of items during the period	
Net changes of items other than shareholders' equity	<u>6</u>
Total changes of items during the period	<u>6</u>
Balance at the end of current period	<u>12</u>
Foreign currency translation adjustment	
Balance at the beginning of current period	(1,980)
Changes of items during the period	
Net changes of items other than shareholders' equity	<u>1,851</u>
Total changes of items during the period	<u>1,851</u>
Balance at the end of current period	<u>(128)</u>
Total accumulated other comprehensive income	
Balance at the beginning of current period	(1,974)
Changes of items during the period	
Net changes of items other than shareholders' equity	<u>1,858</u>
Total changes of items during the period	<u>1,858</u>
Balance at the end of current period	<u>(116)</u>
Subscription rights to shares	
Balance at the beginning of current period	980
Changes of items during the period	
Net changes of items other than shareholders' equity	<u>242</u>
Total changes of items during the period	<u>242</u>
Balance at the end of current period	<u>1,223</u>
Minority interests	
Balance at the beginning of current period	325
Changes of items during the period	
Net changes of items other than shareholders' equity	<u>406</u>
Total changes of items during the period	<u>406</u>
Balance at the end of current period	<u>731</u>
Total net assets	
Balance at the beginning of current period	102,536
Changes of items during the period	
Dividends from surplus	(1,988)
Net income	7,473
Purchase of treasury stock	(1)
Disposal of treasury stock	28
Net changes of items other than shareholders' equity	<u>2,507</u>
Total changes of items during the period	<u>8,019</u>
Balance at the end of current period	<u>110,556</u>

Note: Figures are rounded down to the nearest million yen.

Balance Sheet

(As of March 31, 2013)

(in Millions of Yen)

Assets		Liabilities	
Items	Amount	Items	Amount
Current assets	76,139	Current liabilities	20,824
Cash and deposits	26,495	Notes payable - trade	477
Notes receivable - trade	118	Electronically recorded obligations-operating	8,191
Accounts receivable - trade	20,231	Accounts payable - trade	2,761
Merchandise and finished goods	4,915	Accounts payable - other	3,349
Work in process	8,874	Accrued expenses	698
Raw materials and supplies	11,045	Income taxes payable	1,779
Deferred tax assets	1,328	Provision for bonuses	1,654
Other	3,131	Provision for directors' bonuses	146
Allowance for doubtful accounts	(2)	Provision for product warranties	151
Non current assets	65,194	Provision for demolition cost	98
Property, plant and equipment	48,888	Asset retirement obligations	6
Buildings	26,084	Other	1,510
Structures	420	Noncurrent liabilities	20,561
Machinery and equipment	7,169	Convertible bond-type bonds with subscription rights to shares	9,085
Vessels	4	Long-term loans payable	9,400
Vehicles	46	Provision for retirement benefits	1,607
Tools, furniture and fixtures	486	Asset retirement obligations	5
Land	12,390	Other	463
Construction in progress	2,284	Total liabilities	41,386
Intangible assets	718	Net assets	
Patent right	346	Shareholders' equity	98,718
Software	192	Capital stock	14,517
Other	179	Capital surplus	15,654
Investments and other assets	15,587	Legal capital surplus	15,599
Investment securities	588	Other capital surplus	55
Stocks of subsidiaries and affiliates	5,992	Retained earnings	69,346
Investment in capital of subsidiaries and affiliates	1,271	Legal retained earnings reserve	594
Deferred tax assets	1,079	Other retained earnings	68,751
Long-term time deposits	5,200	Reserve for reduction entry of replaced property	4
Other	1,479	Reserve for reduction entry of government subsidies	2
Allowance for doubtful accounts	(23)	General reserve	16,970
Deferred assets	8	Retained earnings brought forward	51,774
Total assets	141,342	Treasury stock	(798)
		Valuation and translation adjustments	12
		Valuation difference on available-for-sale securities	12
		Subscription rights to shares	1,223
		Total net assets	99,955
		Total liabilities and net assets	141,342

Note: Figures are rounded down to the nearest million yen.

Income Statement

(From April 1, 2012)
(To March 31, 2013)

(in Millions of Yen)

Item	Amount	
Net sales		78,499
Cost of sales		43,160
Gross profit		35,339
Selling, general and administrative expenses		28,113
Operating income		7,225
Non-operating income		
Interest income	32	
Dividend income	1,761	
Subsidy income	169	
Other	245	2,209
Non-operating expenses		
Interest expenses	40	
Foreign exchange losses	25	
Depreciation	72	
Other	37	176
Ordinary income		9,258
Extraordinary income		
Gain on sales of noncurrent assets	1	
Gain on sales of investment securities	146	
Gain on extinguishment of tie -in shares	23	
Gain on reversal of subscription rights to shares	12	182
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	100	
Impairment loss	598	
Loss on valuation of investment securities	49	
Special retirement expenses	35	
Provision of reserve for demolition cost	98	882
Income before income taxes		8,558
Income taxes - current	2,905	
Income taxes - deferred	(602)	2,303
Net Income		6,255

Note: Figures are rounded down to the nearest million yen.

Statement of Changes in Net Assets

(From April 1, 2012)
(To March 31, 2013)

(in Millions of Yen)

Shareholders' equity	
Capital stock	
Balance at the beginning of current period	14,517
Balance at the end of current period	<u>14,517</u>
Capital surplus	
Legal capital surplus	
Balance at the beginning of current period	15,599
Balance at the end of current period	<u>15,599</u>
Other capital surplus	
Balance at the beginning of current period	52
Balance at the end of current period	<u>2</u>
Disposal of treasury stock	<u>2</u>
Changes of items during the period	<u>2</u>
Balance at the end of current period	<u>55</u>
Total capital surplus	
Balance at the beginning of current period	15,651
Changes of items during the period	<u>2</u>
Disposal of treasury stock	<u>2</u>
Total changes of items during the period	<u>2</u>
Balance at the end of current period	<u>15,654</u>
Retained earnings	
Legal retained earnings	
Balance at the beginning of current period	594
Balance at the end of current period	<u>594</u>
Other retained earnings	
Reserve for reduction entry of replaced property	
Balance at the beginning of current period	4
Changes of items during the period	<u>(0)</u>
Reversal of reserve for reduction entry of replaced property	<u>(0)</u>
Total changes of items during the period	<u>(0)</u>
Balance at the end of current period	<u>4</u>
Reserve for reduction entry of government subsidies	
Balance at the beginning of current period	2
Changes of items during the period	<u>(0)</u>
Reversal of reserve for reduction entry of government subsidies	<u>(0)</u>
Total changes of items during the period	<u>(0)</u>
Balance at the end of current period	<u>2</u>
General reserve	
Balance at the beginning of current period	16,970
Changes of items during the period	<u>16,970</u>
Retained earnings brought forward	
Balance at the beginning of current period	47,507
Changes of items during the period	<u>0</u>
Reversal of reserve for reduction entry of replaced property	<u>0</u>
Reversal of reserve for reduction entry of government subsidies	<u>(1,988)</u>
Dividends from surplus	<u>6,255</u>
Net income	<u>4,267</u>
Total changes of items during the period	<u>4,267</u>
Balance at the end of current period	<u>51,774</u>

(in Millions of Yen)

Total retained earnings	
Balance at the beginning of current period	65,079
Changes of items during the period	
Reversal of reserve for reduction entry of replaced property	-
Reversal of reserve for reduction entry of government subsidies	-
Dividends from surplus	(1,988)
Net income	6,255
Total changes of items during the period	4,266
Balance at the end of current period	69,346
Treasury stock	
Balance at the beginning of current period	(823)
Changes of items during the period	
Purchase of treasury stock	(1)
Disposal of treasury stock	25
Total changes of items during the period	24
Balance at the end of current period	(798)
Total shareholders' equity	
Balance at the beginning of current period	94,425
Changes of items during the period	
Reversal of reserve for reduction entry of replaced property	-
Reversal of reserve for reduction entry of government subsidies	-
Dividends from surplus	(1,988)
Net income	6,255
Purchase of treasury stock	(1)
Disposal of treasury stock	28
Total changes of items during the period	4,293
Balance at the end of current period	98,718
Valuation and translation adjustment	
Valuation difference on available-for-sale securities	
Balance at the beginning of current period	5
Changes of items during the period	
Net changes of items other than Shareholders' equity	6
Total changes of items during the period	6
Balance at the end of current period	12
Subscription rights to shares	
Balance at the beginning of current period	980
Changes of items during the period	
Net changes of items other than Shareholders' equity	242
Total changes of items during the period	242
Balance at the end of current period	1,223
Total net assets	
Balance at the beginning of current period	95,411
Changes of items during the period	
Dividends from surplus	(1,988)
Net income	6,255
Purchase of treasury stock	(1)
Disposal of treasury stock	28
Net changes of items other than Shareholders' equity	249
Total changes of items during the period	4,543
Balance at the end of current period	99,955

Note: Figures are rounded down to the nearest million yen.

Reference Materials for the General Meeting of Shareholders

Proposal 1 Appropriation of Retained Earnings

It is proposed that the appropriation of retained earnings be as follows.

Matters related to the year-end dividend:

With respect to the dividend, the Company's fundamental policy is to pay dividends according to its business performance and to maintain an annual dividend level of at least ¥20 to ensure stable dividend payments even if its profitability is at a low level. Based on this fundamental policy, the Company proposes that the year-end dividend for the current fiscal year be ¥16 per share. (The annual amount will be ¥56 including the interim dividend).

The Company has a dividend policy to pay an additional dividend by using part of the excess of the balance of cash and cash equivalent over the budgeted funds necessary in the relevant year. As there was no such excess in the current fiscal year, however, no additional dividend will be provided.

- (i) Type of assets to be distributed
Cash.
- (ii) Matters on the allocation of assets to be distributed and the total amount thereof
¥16 per share of the Company's common stock
The total distribution is to be ¥539,310,000.
- (iii) Effective date of the dividend from retained earnings
It is proposed that the dividend become effective on June 26, 2013.

Proposal 2 Election of Six Directors

The term of office of all the five Directors expires at the close of this General Meeting of Shareholders. Accordingly, we would like to increase the number of Directors by one in order to enhance the management system, and it is proposed that six Directors be elected.

Candidates for Directors are as follows.

Candidate No.	Name (Date of Birth)	Career Summary, Title, Responsibilities (Key concurrent posts)	Number of the Company's Shares Owned
1	Hitoshi Mizorogi (February 20, 1939)	<p>March 1983 Joined the Company.</p> <p>April 1984 Director of the Company.</p> <p>June 1989 Managing Director of the Company.</p> <p>July 1993 Senior Managing Director of the Company.</p> <p>July 1998 Representative Director and Vice President of the Company.</p> <p>July 1998 President of PS Company of the Company.</p> <p>June 2001 Representative Director and President of the Company.</p> <p>April 2009 Representative Director and Chairman of the Company (current position).</p>	12,043 shares
2	Kazuma Sekiya (February 14, 1966)	<p>July 1989 Joined the Company.</p> <p>April 1994 General Manager of Engineering Development Department, PS Division of the Company.</p> <p>June 1995 Director of the Company.</p> <p>July 1998 Vice President of PS Company of the Company.</p> <p>July 2002 Managing Director of the Company.</p> <p>April 2003 President of PS Company of the Company.</p> <p>April 2009 Representative Director, President and General Manager of Engineering R&D Division of the Company (current position).</p> <p>August 2011 General Manager of Application Development Department, Engineering R&D Division of the Company (current position).</p> <p>February 2012 General Manager of Asia Pacific Sales Division of the Company.</p> <p>(Key concurrent posts) Representative Director and President of DISCO ABRASIVE SYSTEMS K.K. Representative Director and President of DAIICHI COMPONENTS, LTD. President of DISCO HI-TEC TAIWAN CO., LTD.</p>	608,197 shares

Candidate No.	Name (Date of Birth)	Career Summary, Title, Responsibilities (Key concurrent posts)	Number of the Company's Shares Owned
3	Hideyuki Sekiya (January 12, 1952)	<p>April 1974 Joined Dai-ichi Seitoshō Co., Ltd. (now DISCO Corporation).</p> <p>April 1985 Director of the Company.</p> <p>April 1999 Deputy General Manager of Hiroshima Works of the Company.</p> <p>July 1999 General Manager of General Affairs Department of Hiroshima Works of the Company (current position).</p> <p>June 2002 General Manager of Hiroshima Works of the Company (current position).</p> <p>December 2010 Environmental Management Office Manager of the Company (current position).</p> <p>June 2011 Managing Director of the Company (current position).</p>	294,197 shares
4	Takao Tamura (September 16, 1955)	<p>April 1977 Joined the Company.</p> <p>June 1995 Director of the Company.</p> <p>July 1997 General Manager of the General Affairs Department of the Corporate Support Division of the Company.</p> <p>April 1999 General Manager of the General Affairs Department of the Company and General Manager of the Corporate Support Division of the Company.</p> <p>June 2009 General Manager of the Accounting Department, of the General Affairs Department and of the Corporate Support Division of the Company.</p> <p>June 2011 Managing Director of the Company (current position).</p> <p>September 2011 General Manager of the Corporate Support Division and General Manager of Human Resource Department of the Company (current position).</p> <p>(Key concurrent posts) Representative Director of KKM INVESTMENT Co., Ltd.</p>	2,000 shares

Candidate No.	Name (Date of Birth)	Career Summary, Title, Responsibilities (Key concurrent posts)	Number of the Company's Shares Owned
5	Keizo Sekiya (March 21, 1965)	<p>July 1989 Joined the Company.</p> <p>June 1995 Director of the Company.</p> <p>July 1998 Vice President of AS Company of the Company.</p> <p>April 1999 Officer for Precision Diamonds, Vice President of PS Company of the Company.</p> <p>August 2000 General Manager of Precision Diamond Planning Department, PS Company of the Company.</p> <p>June 2001 General Manager of Operations Department, PS Company of the Company.</p> <p>July 2002 Managing Director of the Company.</p> <p>April 2003 General Manager of Corporate Planning Division of the Company.</p> <p>July 2008 General Manager of Corporate Planning Division and General Manager of IR and Public Relations Department of the Company.</p> <p>June 2012 Director of the Company. (current position)</p> <p>(Key concurrent posts) Representative Director and President of TECNISCO, LTD. President of TECNISCO (SuZhou) Co.,Ltd.</p>	794,997 shares

Candidate No.	Name (Date of Birth)	Career Summary, Title, Responsibilities (Key concurrent posts)	Number of the Company's Shares Owned
6	* Ichiro Inasaki (April 3, 1941)	<p>April 1984 Professor of the Faculty of Science and Technology at Keio University.</p> <p>March 1998 Guest Professor at University of California, Berkeley in U.S.A.</p> <p>May 2001 Dean of the Faculty of Science and Technology at Keio University. Dean of the Graduate School of Science and Technology at Keio University.</p> <p>April 2007 Professor emeritus at Keio University. Professor at Chubu University. Director of the Institute of Science and Technology Research at Chubu University.</p> <p>April 2011 Dean of Chubu University (current position).</p> <p>June 2011 Director of Chubu Institute for Advanced Studies at Chubu University (current position).</p> <p>March 2012 Outside Auditor of Mitsubishi Pencil Co., Ltd. (current position).</p> <p>April 2012 Appointed Professor at Chubu University (current position).</p> <p>(Key concurrent posts) Outside Auditor for Mitsubishi Pencil Co., Ltd. (current position).</p>	-

- Notes: 1. The person indicated by an asterisk is the candidate for the new director.
2. There are no special interests between the candidates and the Company.
3. Mr. Ichiro Inasaki is a candidate for the position of outside director.
4. The reason for nominating Mr. Ichiro Inasaki as a candidate for outside director is that, since he has advanced academic knowledge in the fields of abrasive finishing and precision processing, which are business areas of the Company, as well as a deep understanding of the Company's business lineup, he can use his depth of insight to strengthen the Company's business. Furthermore, although Mr. Inasaki has not been involved in management of a company other than as an outside auditor, for the reason stated above, the Company judges him capable of appropriately carrying out the duties of outside director.
5. Mr. Ichiro Inasaki fulfills the necessary conditions for acting as an independent officer based on the regulations of the Tokyo Stock Exchange, and the Company intends to register him as an independent officer with the exchange.

Proposal 3 Election of One Corporate Auditor

The term of office of the Corporate Auditor Tsutomu Mimata expires at the close of this General Meeting of Shareholders. It is proposed that one Corporate Auditor be elected.

This proposal has the agreement of the Board of Corporate Auditors.

The candidate for Corporate Auditor is as follows.

Name (Date of Birth)	Career Summary, Title, Responsibilities (Key concurrent posts)	Number of the Company's Shares Owned
Tsutomu Mimata (June 14, 1944)	April 1963 Joined Hitachi, Ltd.	-
	February 1989 Seconded to Hitachi Tokyo Electronics Co., Ltd.	
	February 1993 Joined Hitachi Tokyo Electronics Co., Ltd.	
	February 1999 Retired from Hitachi Tokyo Electronics Co., Ltd.	
	March 1999 Joined Shinkawa Ltd.	
	June 2001 Director of Shinkawa Ltd.	
	June 2004 Managing director of Shinkawa Ltd.	
	June 2008 Resigned as managing director of Shinkawa Ltd.	
June 2008 Adviser of Shinkawa Ltd.		
June 2009 Permanent Corporate Auditor for the Company (current position).		

- Notes: 1. There are no special interests between the candidate and the Company.
2. Mr. Tsutomu Mimata is a candidate for the position of outside auditor.
3. The reason for nominating Mr. Tsutomu Mimata as a candidate for outside auditor is that, by using his rich experience and insight into the Company's business areas, he can continue to provide supervision of general management as well as effective advice and suggestions.
4. Mr. Tsutomu Mimata is currently an outside auditor of the Company. His term of office will be four years at the close of this Ordinary General Meeting of Shareholders.
5. Mr. Tsutomu Mimata is registered as an independent officer based on the regulations of the Tokyo Stock Exchange. If Mr. Mimata is reappointed, the Company intends for him to continue acting as an independent officer.

Proposal 4 Bonus payment to the board members

It is proposed that the bonuses to the members of the Board of Directors be as follows taking the business performance for the current period into account.

The bonus to each member of the Board of Directors has been calculated by first determining a base amount per position and then by multiplying the base amount by a coefficient correlated with the consolidated and non-consolidated ordinary income margin. It is proposed that for the bonuses to the members of the Board of Directors for the current period, the sum of ¥100,210,000 calculated through this method, by multiplying the base amount for the 4 of 5 Directors as of the end of the period (except the director in charge of the Company's subsidiary) by a coefficient correlated with the business performance for the current period, is to be paid. It is proposed, that the bonus to be paid to each Director be determined solely by the Board of Directors.